

**TABLE 1 TO PARAGRAPH (b)(1)(ii)(E)—CONVERSION FACTOR MATRIX FOR
DERIVATIVE Contracts¹**

Remaining maturity²	Interest rate	Foreign exchange rate and gold	Credit (investment grade reference asset)³	Credit (non- investment-LI>grade reference asset)	Equity	Precious metals (except gold)	Other
One year or less	0.00	0.01	0.05	0.10	0.06	0.07	0.10
Greater than one year and less than or equal to five years	0.005	0.05	0.05	0.10	0.08	0.07	0.12
Greater than five years	0.015	0.075	0.05	0.10	0.10	0.08	0.15

¹ For a derivative contract with multiple exchanges of principal, the conversion factor is multiplied by the number of remaining payments in the derivative contract.

² For an OTC derivative contract that is structured such that on specified dates any outstanding exposure is settled and the terms are reset so that the fair value of the contract is zero, the remaining maturity equals the time until the next reset date. For an interest rate derivative contract with a remaining maturity of greater than one year that meets these criteria, the minimum conversion factor is 0.005.

³ An Enterprise must use the column labeled “Credit (investment-grade reference asset)” for a credit derivative whose reference asset is an outstanding unsecured long-term debt security without credit enhancement that is investment grade. An Enterprise must use the column labeled “Credit (non-investment-grade reference asset)” for all other credit derivatives.